

March 2, 2006
via UPS overnight

The Honorable Magalie R. Salas
Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, D.C. 20426

RE: Niagara Mohawk Power Corporation, Docket No. ER06-_____
Niagara Mohawk/Innovative Energy Systems, Inc.

Dear Secretary Salas:

Pursuant to Section 205 of the Federal Power Act, 16 U.S.C. § 824d, and Part 35 of the Federal Energy Regulatory Commission's ("Commission") regulations, 18 C.F.R. Part 35, Niagara Mohawk Power Corporation, d/b/a National Grid ("Niagara Mohawk"), submits for filing an original and six copies of an Original Service Agreement No. 916 ("Service Agreement") between Niagara Mohawk and Innovative Energy Systems, Inc. ("Innovative Energy") under the New York Independent System Operator, LLC's ("NYISO") open access transmission tariff, FERC Electric Tariff, Original Volume No. 1. Under the Service Agreement, Niagara Mohawk provides interconnection service to Innovative Energy for the Innovative Energy generating facilities in Colonie, New York.

I. Information Submitted with Filing

The Service Agreement was entered into as of November 30, 2005. The Service Agreement sets forth the rates, terms and conditions under which the Innovative Energy generating facility, a 4.8 MW land fill gas generation project, will be interconnected to the Niagara Mohawk transmission system in Colonie, New York.

In an effort to ensure the justness and reasonableness of the Service Agreement, Innovative Energy and Niagara Mohawk mutually agree to use as the form of the Service Agreement the *pro forma* Small Generator Interconnection Agreement in Appendix F to the Small Generator Interconnection Final Rule, issued by the Commission on May 12, 2005. *18 C.F.R. Part 35*. (Docket No. RM02-12; Order 2006).

II. Communications and Service

Communications regarding this filing should be addressed to the following individuals, whose names should be entered on the official service list maintained by the Secretary for the docket established with respect to this filing:

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A copy of this filing has been served on Innovative Energy, the New York Independent System Operator and the New York Public Service Commission.

III. Proposed Effective Date

In accordance with section 35.3 of the Commission's Regulations, Niagara Mohawk respectfully requests that the Commission accept this Service Agreement for filing, effective as of May 2, 2006.

IV. Order No. 614 Designations

Pursuant to the Commission's orders in *Designation of Electric Rate Schedule Sheets*, Order No. 614, 90 FERC ¶ 61,352 (2000) and *Southwest Power Pool, Inc.*, 92 FERC ¶ 61,109 (2000), Niagara Mohawk is required to designate the Service Agreement as a service agreement under the NYISO OATT. As a result, Niagara Mohawk has designated the Service Agreement as:

New York Independent System Operator, Inc.
FERC Electric Tariff, Original Volume No. 1
Original Service Agreement No. 916
Issued by: Herbert Schrayshuen
V.P. Transmission Commercial Services
National Grid USA for Niagara Mohawk Power Corporation
Issued on: March 2, 2006
Effective: May 2, 2006

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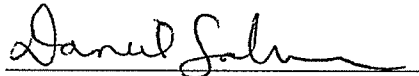
V. Documents Enclosed

Enclosed are an original and six copies of each of the following documents:

- i. This filing letter;
- ii. Original Service Agreement No. 916 (Attachment A); and,
- iii. A draft Notice of Filing suitable for publication in the Federal Register (Attachment B), along with an electronic version of this notice on 3.5" computer diskette in Word format.

Copies of this filing have been served on Innovative Energy, NYISO and the New York Public Service Commission. An additional copy of this filing is enclosed, to be marked with your filing date-stamp and returned in the enclosed, self-addressed postage-paid envelope. Thank you for your assistance in this matter.

Respectfully submitted,



Daniel Galaburda
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*Attorney for
Niagara Mohawk Power Corporation,
d/b/a National Grid*

Enclosures